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No. 79-801

In the Supreme Court of the United States

OCTOBER TERM, 1979

COMMITTEE TO ELECT LYNDON LAROUCHE, ET AL.,
PETITIONERS

v.

FEDERAL ELECTION COMMISSION

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE DISTRICT OF COLUMBIA CIRCUIT

BRIEF FOR RESPONDENT IN OPPOSITION

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Respondent, Federal Election Commission (the Commission), requests that the petition for writ of certiorari by petitioners, Committee to Elect Lyndon LaRouche (CTEL), Lyndon LaRouche, Jr. and LeRoy B. Jones, to review the judgment of the United States Court of Appeals for the District of Columbia Circuit in this case be denied.

OPINION BELOW

The opinion of the court of appeals, reported at Fed. Elec. Camp. Fin. Guide (CCH) ¶ 9091, appears in the appendix to the petition (Pet. App.) at 28a.

JURISDICTION

The jurisdictional requisites are set forth in the petition. *See also* 26 U.S.C. §§ 9010(d), 9040(d).

QUESTION PRESENTED

Whether the United States Court of Appeals for the District of Columbia Circuit correctly concluded that the Commission's determination not to certify that CTEL had met the eligibility threshold to receive matching funds was consistent with the Presidential Primary Matching Payment Account Act and the Constitution of the United States.

STATUTES INVOLVED

The Presidential Primary Matching Payment Account Act, 26 U.S.C. §§ 9031–9042; 2 U.S.C. §§ 434, 437g; and 26 U.S.C. § 9010(d) are reprinted in the appendix, *infra.*

STATEMENT OF THE CASE

The Presidential Primary Matching Payment Account Act, enacted by Congress in 1974, 26 U.S.C. §§ 9031 *et seq.,* establishes the eligibility and payment procedure for providing federal matching funds to qualified candidates.[1] After a candidate establishes his

[1] The procedure, as relevant to this case, requires that a candidate seeking matching funds must certify to the Commission that:

. . . (2) the candidate is seeking nomination by a political party for election to the office of President of the United States,

(3) the candidate has received matching contributions which, in the aggregate, exceed $5,000 in contributions from residents of each of at least 20 States, and

(4) the aggregate of contributions certified with respect to any person under paragraph (3) does not exceed $250.

26 U.S.C. § 9033(b).

eligibility, the Commission certifies to the Secretary of the Treasury for payment of matching funds to the candidate. 26 U.S.C. § 9036(a).

Pursuant to 26 U.S.C. § 9041(a), petitioners asked the United States Court of Appeals for the District of Columbia Circuit to review the Commission's determination that Lyndon LaRouche, Jr. was not eligible to receive federal matching funds for the 1976 presidential primary period. The court of appeals, rejecting petitioners' legal and factual allegations, found that:

> (1) the Commission has a statutory duty to require documentation from a candidate that the statutory contribution threshold has been met prior to certification for payment of primary matching funds, Pet. App. at 43a–44a;
>
> (2) where the candidate's documentation "contains patent irregularities suggesting the possibility of fraud," the Commission "is empowered, as part of the certification process, to conduct a properly circumscribed investigation including an audit of the candidate's records and, if necessary, field interviews of the contributors to his campaign," Pet. App. at 45a–46a; and
>
> (3) the Commission's procedure for such an investigation as applied to CTEL is constitutional. Pet. App. at 51a.

Petitioners seek review by this Court of that decision.

On October 14, 1976, CTEL, on behalf of Lyndon LaRouche, formally requested primary matching funds by a one-page application which stated that Mr. LaRouche had met the section 9033(b) threshold. No

documentation was submitted supporting Mr. LaRouche's participation in the primary election process [2] nor supporting his having met the statutory contribution threshold of $5,000 in each of 20 states from individuals in amounts aggregating $250 or less. At the time of the request for matching funds, the required disclosure reports for financial activity during the third quarter of 1976 had not been filed by CTEL and earlier CTEL reports had failed to disclose names and addresses of contributors, information required both by the Federal Election Campaign Act and the Presidential Primary Matching Payment Account Act. *See* 2 U.S.C. § 434(b); 26 U.S.C. § 9033 (b)(3). CTEL's disclosure reports, filed with the Commission only after Commission staff contacted counsel for CTEL, failed to support Mr. LaRouche's statement that he had met the contribution threshold indicating instead *total* receipts for the period January 1, 1976 to September 30, 1976, of only $71,463.27, considerably less than the $100,000 threshold required for payment of matching funds.

[2] Payment of matching funds under the Presidential Primary Matching Payment Account Act is limited to candidates running in party primaries, 26 U.S.C. § 9032(7), a limitation upheld in *Buckley* v. *Valeo*, 424 U.S. 1, 105–108 (1976). During the period when the Commission sought documentation of Mr. LaRouche's threshold eligibility for primary funds, CTEL submitted a statement that Mr. LaRouche, though listed earlier in many states as the USLP nominee for the purpose of obtaining a place on the ballot, did not formally become its nominee until October 16, 1976, when chosen by a party caucus in New York City. The court of appeals did not address whether Mr. LaRouche was indeed "seeking nomination by a political party" as required by the statute. Pet. App. at 39a n. 10.

On November 4, 1976, the Commission, based upon the recommendation of Commission staff that CTEL submissions had not established that candidate LaRouche had met the statutory threshold, authorized an attempt to verify Mr. LaRouche's eligibility for matching funds. Commission auditors accordingly contacted CTEL to audit CTEL's books [3] in New York City. That audit disclosed that many of the listed contributions, purportedly made by individuals from various states, were in fact made by consecutively numbered money orders, drawn on the same bank in one city, often by persons described only as volunteer coordinators for the National Caucus of Labor Committees (NCLC), an organization with which CTEL shared office space and personnel.

Thereafter, following notification to CTEL, Commission staff interviewed persons listed as CTEL contributors in Delaware, Massachusetts, and Wisconsin. In Delaware, only 5 people confirmed their contribution; 16 did not live at the address listed, 1 stated that the funds used were not his own and only 1 confirmed part of his contribution. In Massachusetts, 19 of 26 contributors could not be located. In Wisconsin, 14 of 21 potential interviewees could not be located and of the 7 located not one confirmed all of their contributions from their own funds.

On February 10, 1977, the Commission determined that Mr. LaRouche had not met the threshold requirement, thereby declaring him ineligible for receipt of

[3] Such audits are a statutory condition for federally funded candidates after the close of the primary period, which by Mr. LaRouche's own submission ended October 16, 1976.

matching funds. CTEL filed a petition for review of the Commission's action on February 14, 1977.

REASONS WHY THE WRIT SHOULD BE DENIED

Petitioners seek to have this Court review the decision of the court below that the Commission did not err in rejecting CTEL's application for matching funds. Petitioners argue that certification for such funds cannot be withheld pending documentation or verification of the threshold submission. The court below correctly concluded both that the statute requires documentation of contributions prior to certification and that petitioners "failed to demonstrate that the Commission acted unreasonably or even that it erred, in rejecting his application for matching funds." Pet. App. at 51a–52a. Accordingly, the court rejected claims that the Commission's action violated the first or fifth amendments to the Constitution of the United States. This decision does not conflict with any decision either of another court of appeals or of this Court. Rather, the decision below is in accord with this Court's decision in *Buckley* v. *Valeo, supra.*

1. Petitioners ask this Court to require that the Commission certify for payment of matching funds based upon an undocumented application by a candidate. The statute clearly manifests a dual Congressional purpose that the Commission not certify frivolous candidates for payment of matching funds but that certification of eligible candidates be made promptly. 26 U.S.C. §§ 9033(b), 9036. As stated by the court below,

> . . . The policy underlying section 9033(b)(3)–(4), which is to withhold funds from frivolous candidates, is served by requiring a candidate either to submit to the Commission the written instruments evidencing campaign contributions or to make an equivalent showing. This requirement will provide the Commission with a ready means of detecting, and denying certification to, a candidate who has not raised the threshold amount. *If the threshold submission does not adequately document the candidate's compliance with the fundraising threshold, the Commission is empowered, indeed required, to withhold certification until the candidate submits appropriate documentation.* If the threshold submission contains patent irregularities suggesting the possibility of fraud, the Commission is authorized to conduct an investigation during the certification process to determine whether the candidate in fact has raised the threshold amount.

Pet. App. at 47a (emphasis added).

CTEL's threshold submissions, either the one-page notarized statement submitted on October 14, 1976 or the computer printout of names of contributors, did not provide such documentation. As the court of appeals noted:

> There is no question but that, under the legal standards outlined above, the Commission, in October, 1976, acted properly in not approving LaRouche's application for matching funds, inasmuch as his threshold submissions fell far short of the documentation required to establish his eligibility.

Pet. App. at 60a.

Under the procedure required by the statute and as outlined by the court of appeals, the Commission

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was authorized, "indeed required," to withhold certification until CTEL provided adequate documentation. The Commission attempted to obtain such documentation, by letters to CTEL, by telephone and personal conferences with CTEL's counsel and by review of CTEL disclosure reports filed with the Commission. When these attempts failed to provide the necessary documentation, the Commission authorized a field audit of CTEL records, an audit which raised further questions about the supporting documentation. As a final step in the verification procedure, the Commission authorized interviews with CTEL contributors. *See* letters from CTEL. Resp. App. at 45.

2. Although the court of appeals did conclude that the Commission's audit of CTEL's books and records might have been somewhat premature, the court correctly concluded that any error in the timing of the audit was nonprejudicial. Under the procedure required by the court of appeals, the Commission should not have conducted the audit before patent irregularities had manifested themselves. The court noted:

> . . . Instead, the Commission, absent the requisite finding of patent irregularities on the face of the initial submissions, chose to conduct an audit of CTEL's books. This error, we think, was nonprejudicial, however, because if the Commission had awaited the requisite documentation, it would have contained, as the audit revealed, patent irregularities of the sort that surely would have warranted an audit of CTEL's books. It is our view that the Commission, once confronted with these irregularities, acted both reasonably and within the scope of its statutory authority in conducting a further investigation and finally in rejecting, on the basis of that investigation, LaRouche's application for matching funds.

Pet. App. at 60a–61a. Petitioners even now contend only that the statute requires certification of funds even if it is apparent that the post-primary audit, following the use of such funds in the electoral process, would require their return to the treasury, not that the post-primary audit would have vindicated Mr. LaRouche's eligibility.

3. Petitioners argue finally that CTEL's and Mr. LaRouche's rights under the due process and equal protection clause of the fifth amendment were violated because the Commission's audit and personal interviews had a "chilling effect" on their freedom of association as protected by the first amendment. Each of these arguments is without merit; each was fully considered by the court below and dismissed by application of legal precedent of this Court.

Petitioners' due process argument amounts to nothing more than a reiteration of their claim that the statute does not permit the Commission to document or verify matching fund submissions. Clearly, the procedure employed by the Commission herein provided adequate opportunity for petitioners to demonstrate that the statutory requirements had been met, establishing their entitlement to matching funds. CTEL communicated with the Com-

mission by letter, by telephone and by personal conference. CTEL was asked to submit documentation to support the threshold contributions and rendered only the computer printout of contributors' names.

CTEL was informed that the Commission wanted to audit CTEL's books and records prior to certification. After the audit, CTEL was notified that the audit had not documented sufficient contributions to meet the statutory threshold and that the Commission had determined that verification of contributions would be necessary. CTEL, by letter dated January 26, 1977, recognized the Commission's statutory authority to seek documentation and agreed that it would not object to the interview of CTEL contributors; only thereafter did the interviews take place. Clearly, the court of appeals was correct that this procedure afforded petitioners adequate opportunity to present their "side of the story." *Hannah* v. *Larche,* 363 U.S. 420 (1960).

Petitioners' argument that the Commission's action denied CTEL equal protection of the law is likewise unsupported by the evidence. While it is true that Mr. LaRouche was the only applicant for primary matching funds during the 1976 election cycle who was denied matching funds on the basis of pre-certification review, it is also true, as was noted by the court of appeals, that candidate

> LaRouche's application for matching funds was the only application during the 1976 election that raised any substantial question as to whether the fundraising threshold had been met. In the absence of any evidence of a pattern of harassment or bad faith on the part of the Commission, we see no basis for finding an equal protection violation simply because the Commission accorded unique treatment to a unique application.

Pet. App. at 59a n.24. The court of appeals held that it was a rational decision for the Commission to conduct a pre-certification audit and investigation of CTEL, and, applying the decisions of this Court, found no equal protection violation.

Finally, CTEL argues that the Commission's personal interviews with supposed CTEL contributors represented a chill to first amendment associational rights. The court of appeals below, again relying on *Buckley,* held that Congress's procedure for certification of candidates for matching funds is not

> "[a] statutory scheme that blocks minority party access to the electoral process [and thereby] unjustifiably invades the right to vote and to associate." *Doe* v. *Martin,* 404 F. Supp. 753, 759–60 (D.D.C. 1975) (three-judge court) (footnote omitted).

Pet. App. at 59a n.24. And petitioners' allegation that the interviews as conducted by the Commission were unconstitutionally "chilling" is especially unwarranted since CTEL, by letter to the Commission, agreed to the interviews and since each interviewee did not object. The court of appeals correctly concluded that petitioners' first amendment rights had not been violated.

CONCLUSION

The petition for certiorari should be denied.

Respectfully submitted,

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APPENDIX

STATUTES INVOLVED

2 U.S.C. § 434

§ 434. Reports

(a) *Receipts and expenditures; completion date, exception.*

(1) Except as provided by paragraph (2), each treasurer of a political committee supporting a candidate or candidates for election to Federal office, and each candidate for election to such office, shall file with the Commission reports of receipts and expenditures on forms to be prescribed or approved by it.

The reports referred to in the preceding sentence shall be filed as follows:

(A)(i) In any calendar year in which an individual is a candidate for Federal office and an election for such Federal office is held in such year, such reports shall be filed not later than the 10th day before the date on which such election is held and shall be complete as of the 15th day before the date of such election; except that any such report filed by registered or certified mail must be postmarked not later than the close of the 12th day before the date of such election;

(ii) such reports shall be filed not later than the 30th day after the date of such elec-

tion and shall be complete as of the 20th day after the date of such election.

(B) In any other calendar year in which an individual is a candidate for Federal office, such reports shall be filed after December 31 of such calendar year, but not later than January 31 of the following calendar year and shall be complete as of the close of the calendar year with respect to which the report is filed.

(C) Such reports shall be filed not later than the 10th day following the close of any calendar quarter in which the candidate or political committee concerned received contributions in excess of $1,000, or made expenditures in excess of $1,000, and shall be complete as of the close of such calendar quarter: except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under subparagraph (B) shall be filed as provided in such subparagraph. In any year in which a candidate is not on the ballot for election to Federal office, such candidate and his authorized committees shall only be required to file such reports not later than the 10th day following the close of any calendar quarter in which the candidate and his authorized committees received contributions or made expenditures, or both, the total amount of which, taken together, exceeds $5,000, and such reports shall be complete as of the close of such calendar quarter; except that any such report required to be filed after December 31 of any calendar year with respect to which a report is required to be filed under

subparagraph (B) shall be filed as provided in such subparagraph.

(D) When the last day for filing any quarterly report required by subparagraph (C) occurs within 10 days of an election, the filing of such quarterly report shall be waived and superseded by the report required by subparagraph (A)(i).

Any contribution of $1,000 or more received after the 15th day, but more than 48 hours, before any election shall be reported within 48 hours after its receipt.

(2) Each treasurer of a political committee authorized by a candidate to raise contributions or make expenditures on his behalf, other than the candidate's principal campaign committee, shall file the reports required under this section with the candidate's principal campaign committee.

(3) Upon a request made by a Presidential candidate or a political committee with operates in more than one State, or upon its own motion, the Commission may waive the reporting dates set forth in paragraph (1) (other than the reporting date set forth in paragraph (1)(B)), and require instead that such candidate or political committee file reports not less frequently than monthly. The Commission may not require a Presidential candidate or a political committee operating in more than one State to file more than 12 reports (not counting any report referred to in paragraph (1)(B)) during any calendar year. If the Commission acts on its own motion under this paragraph with respect to a candidate or a political committee, such candidate or committee may obtain judicial review in

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accordance with the provisions of chapter 7 of Title 5, United States Code.

(b) *Contents of reports.* Each report under this section shall disclose—

(1) the amount of cash on hand at the beginning of the reporting period;

(2) the full name and mailing address (occupation and the principal place of business, if any) of each person who has made one or more contributions to or for such committee or candidate (including the purchase of tickets for events such as dinners, luncheons, rallies, and similar fundraising events) within the calendar year in an aggregate amount or value in excess of $100, together with the amount and date of such contributions;

(3) the total sum of individual contributions made to or for such committee or candidate during the reporting period and not reported under paragraph (2);

(4) the name and address of each political committee or candidate from which the reporting committee or the candidate received, or to which that committee or candidate made, any transfer of funds, together with the amounts and dates of all transfers;

(5) each loan to or from any person within the calendar year in an aggregate amount or value in excess of $100, together with the full names and mailing addresses (occupations and the principal places of business, if any) of the lender, endorsers, and guarantors, if any, the date and amount of such loans;

(6) the total amount of proceeds from—

(A) the sale of tickets to each dinner, luncheon, rally, and other fundraising event;

(B) mass collections made at such events; and

(C) sales of items such as political campaign pins, buttons, badges, flags, emblems, hats, banners, literature, and similar materials;

(7) each contribution, rebate, refund, or other receipt in excess of $100 not otherwise listed under paragraphs (2) through (6);

(8) the total sum of all receipts by or for such committee or candidate during the reporting period, together with total receipts less transfers between political committees which support the same candidate and which do not support more than one candidate;

(9) the identification of each person to whom expenditures have been made by such committee or on behalf of such committee or candidate within the calendar year in an aggregate amount or value in excess of $100, the amount, date, and purpose of each such expenditure and the name and address of, and office sought by, each candidate on whose behalf such expenditure was made;

(10) the identification of each person to whom an expenditure for personal services, salaries, and reimbursed expenses in excess of $100 has been made, and which is not otherwise reported, including the amount, date, and purpose of such expenditure;

(11) the total sum of expenditures made by such committee or candidate during the calendar year, together with total expenditures less transfers between political committees which support the same candidate and which do not support more than one candidate;

(12) the amount and nature of debts and obligations owed by or to the committee, in such form as the Commission may prescribe and a continuous reporting of their debts and obligations after the election at such periods as the Commission may require until such debts and obligations are extinguished, together with a statement as to the circumstances and conditions under which any such debt or obligation is extinguished and the consideration therefor;

(13) in the case of an independent expenditure in excess of $100 by a political committee, other than an authorized committee of a candidate, expressly advocating the election or defeat of a clearly identified candidate, through a separate schedule (a) any information required by paragraph (9) stated in a manner which indicates whether the independent expenditure involved is in support of, or in opposition to, a candidate; and (b) under penalty of perjury, a certification whether such independent expenditure is made in cooperation, consultation, or concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate; and

(14) such other information as shall be required by the Commission.

When committee treasurers and candidates show that best efforts have been used to obtain and submit the information required by this subsection, they shall be deemed to be in compliance with this subsection.

(c) *Cumulative reports for calendar year; amounts for unchanged items carried forward; statement of inactive status.* The reports required to be filed by subsection (a) of this section, shall be cumulative

during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during such year, only the amount need be carried forward. If no contributions or expenditures have been accepted or expended during a calendar year, the treasurer of the political committee or candidate shall file a statement to that effect.

(d) *Members of Congress, reporting exemption.* This section does not require a Member of the Congress to report, as contributions received or as expenditures made, the value of photographic, matting, or recording services furnished to him by the Senate Recording Studio, the House Recording Studio, or by an individual whose pay is disbursed by the Secretary of the Senate or the Clerk of the House of Representatives and who furnishes such services as his primary duty as an employee of the Senate or House of Representatives, or if such services were paid for by the Republican or Democratic Senatorial Campaign Committee, the Democratic National Congressional Committee, or the National Republican Congressional Committee. This subsection does not apply to such recording services furnished during the calendar year before the year in which the Member's term expires.

(e) *Contributions or expenditures by person other than political committee or candidate.*

(1) Every person (other than a political committee or candidate) who makes contributions or independent expenditures expressly advocating the election or defeat of a clearly identified can-

didate, other than by contribution to a political committee or candidate, in an aggregate amount in excess of $100 during a calendar year shall file with the Commission, on a form prepared by the Commission, a statement containing the information required of a person who makes a contribution in excess of $100 to a candidate or political committee and the information required of a candidate or political committee receiving such a contribution.

(2) Statements required by this subsection shall be filed on the dates on which reports by political committees are filed. Such statements shall include (A) the information required by subsection (b)(9), stated in a manner indicating whether the contribution or independent expenditure is in support of, or opposition to, the candidate; and (B) under penalty of perjury, a certification whether such independent expenditure is made in cooperation, consultation, or concert with, or at the request or suggestion of, any candidate or any authorized committee or agent of such candidate. Any independent expenditure, including those described in subsection (b)(13), of $1,000 or more made after the 15th day, but more than 24 hours, before any election shall be reported within 24 hours of such independent expenditure.

(3) The Commission shall be responsible for expeditiously preparing indices which set forth, on a candidate-by-candidate basis, all expenditures separately, including those reported under subsection (b)(13), made with respect to each candidate, as reported under this subsection, and for periodically issuing such indices on a timely preelection basis.

2 U.S.C. § 437g

§ 437g. Enforcement

(a)(1) Any person who believes a violation of this Act or of chapter 95 or chapter 96 of the Internai Revenue Code of 1954 has occurred may file a complaint with the Commission. Such complaint shall be in writing, shall be signed and sworn to by the person filing such complaint, and shall be notarized. Any person filing such a complaint shall be subject to the provisions of section 1001 of Title 18, United States Code. The Commission may not conduct any investigation under this section, or take any other action under this section, solely on the basis of a complaint of a person whose identity is not disclosed to the Commission.

(2) The Commission upon receiving any complaint under paragraph (1), and if it has reason to believe that any person has committed a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, or, if the Commission, on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, has reason to believe that such a violation has occurred, shall notify the person involved of such alleged violation and shall make an investigation of such alleged violation in accordance with the provisions of this section.

(3)(A) Any investigation under paragraph (2) shall be conducted expeditiously and shall include an investigation, conducted in accordance with the provisions of this section of reports and statements filed by any complainant under this title, if such complainant is a candidate.

(B) Any notification or investigation made under paragraph (2) shall not be made public by the Commission or by any person without the written consent of the person receiving such notification or the person with respect to whom such investigation is made.

(4) The Commission shall afford any person who receives notice of an alleged violation under paragraph (2), a reasonable opportunity to demonstrate that no action should be taken against such person by the Commission under this Act.

(5) (A) If the Commission determines that there is reasonable cause to believe that any person has committed or is about to commit a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, the Commission shall make every endeavor for a period of not less than 30 days to correct or prevent such violation by informal methods of conference, conciliation, and persuasion, and to enter into a conciliation agreement with the person involved, except that, if the Commission has reasonable cause to believe that—

(i) any person has failed to file a report required to be filed under section 434(a)(1)(C) for the calendar quarter occurring immediately before the date of a general election;

(ii) any person has failed to file a report required to be filed no later than 10 days before an election; or

(iii) on the basis of a complaint filed less than 45 days but more than 10 days before an election, any person has committed a knowing and willful violation of this Act or chapter 95 or chapter 96 of the Internal Revenue Code of 1954;

the Commission shall make every effort, for a period of not less than one-half the number of days between the date upon which the Commission determines there is reasonable cause to believe such a violation has occurred and the date of the election involved, to correct or prevent such violation by informal methods of conference, conciliation, and persuasion, and to enter into a conciliation agreement with the person involved. A conciliation agreement, unless violated, shall constitute a complete bar to any further action by the Commission, including the bringing of a civil proceeding under subparagraph (B).

(B) If the Commission is unable to correct or prevent any such violation by such informal methods, the Commission may, if the Commission determines there is probable cause to believe that a violation has occurred or is about to occur, institute a civil action for relief, including a permanent or temporary injunction, restraining order, or any other appropriate order, including a civil penalty which does not exceed the greater of $5,000 or an amount equal to the amount of any contribution or expenditure involved in such violation, in the district court of the United States for the district in which the person against whom such action is brought is found, resides, or transacts business.

(C) In any civil action instituted by the Commission under subparagraph (B), the court may grant a permanent or temporary injunction, restraining order, or other order, including a civil penalty which does not exceed the greater of $5,000 or an amount equal to the amount of any contribution or expenditure involved in

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such violation, upon a proper showing that the person involved has engaged or is about to engage in a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954.

(D) If the Commission determines that there is probable cause to believe that a knowing and willful violation subject to and as defined in section 441j, or a knowing and willful violation of a provision of chapter 95 or chapter 96 of the Internal Revenue Code of 1954 has occurred or is about to occur, it may refer such apparent violation to the Attorney General of the United States without regard to any limitation set forth in subparagraph (A).

(6)(A) If the Commission believes that there is clear and convincing proof that a knowing and willful violation of this Act or chapter 95 or chapter 96 of the Internal Revenue Code of 1954 has been committed, a conciliation agreement entered into by the Commission under paragraph (5)(A) may include a requirement that the person involved in such conciliation agreement shall pay a civil penalty which shall not exceed the greater of (i) $10,000; or (ii) an amount equal to 200 percent of the amount of any contribution or expenditure involved in such violation.

(B) If the Commission believes that a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954 has been committed, a conciliation agreement entered into by the Commission under paragraph (5)(A) may include a requirement that the person involved in such conciliation agreement shall pay a civil penalty which does not exceed the greater of (i) $5,000; or (ii) an amount equal to the amount

of the contribution or expenditure involved in such violation.

(C) The Commission shall make available to the public (i) the results of any conciliation attempt, including any conciliation agreement entered into by the Commission; and (ii) any determination by the Commission that no violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954 has occurred.

(7) In any civil action for relief instituted by the Commission under paragraph (5), if the court determines that the Commission has established through clear and convincing proof that the person involved in such civil action has committed a knowing and willful violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1954, the court may impose a civil penalty of not more than the greater of (a) $10,000; or (b) an amount equal to 200 percent of the contribution or expenditure involved in such violation. In any case in which such person has entered into a conciliation agreement with the Commission under paragraph (5)(A), the Commission may institute a civil action for relief under paragraph (5) if it believes that such person has violated any provision of such conciliation agreement. In order for the Commission to obtain relief in any such civil action, it shall be sufficient for the Commission to establish that such person has violated, in whole or in part, any requirement of such conciliation agreement.

(8) In any action brought under paragraph (5) or paragraph (7), subpoenas for witnesses who are re-

quired to attend a United States district court may run into any other district.

(9)(A) Any party aggrieved by an order of the Commission dismissing a complaint filed by such party under paragraph (1), or by a failure on the part of the Commission to act on such complaint in accordance with the provisions of this section within 90 days after the filing of such complaint, may file a petition with the United States District Court for the District of Columbia.

(B) The filing of any petition under subparagraph (A) shall be made—

(i) in the case of the dismissal of a complaint by the Commission, no later than 60 days after such dismissal; or

(ii) in the case of a failure on the part of the Commission to act on such complaint, no later than 60 days after the 90-day period specified in subparagraph (A).

(C) In any proceeding under this paragraph the court may declare that the dismissal of the complaint or the action, or the failure to act, is contrary to law and may direct the Commission to proceed in conformity with such declaration within 30 days, failing which the complainant may bring in his own name a civil action to remedy the violation involved in the original complaint.

(10) The judgment of the district court may be appealed to the court of appeals and the judgment of the court of appeals affirming or setting aside, in whole or in part, any such order of the district court shall be final, subject to review by the Supreme Court

of the United States upon certiorari or certification as provided in section 1254 of Title 28, United States Code.

(11) Any action brought under this subsection shall be advanced on the docket of the court in which filed, and put ahead of all other actions (other than other actions brought under this subsection or under section 437h of this title).

(12) If the Commission determines after an investigation that any person has violated an order of the court entered in a proceeding brought under paragraph (5) it may petition the court for an order to adjudicate such person in civil contempt, except that if it believes the violation to be knowing and willful it may petition the court for an order to adjudicate such person in criminal contempt.

(b) In any case in which the Commission refers an apparent violation to the Attorney General, the Attorney General shall respond by report to the Commission with respect to any action taken by the Attorney General regarding such apparent violation. Each report shall be transmitted no later than 60 days after the date the Commission refers any apparent violation, and at the close of every 30-day period thereafter until there is final disposition of such apparent violation. The Commission may from time to time prepare and publish reports on the status of such referrals.

(c) Any member of the Commission, any employee of the Commission, or any other person who violates the provisions of subsection (a)(3)(B) shall be fined

not more than $2,000. Any such member, employee, or other person who knowingly and willfully violates the provisions of subsection (a)(3)(B) shall be fined not more than $5,000.

26 U.S.C. § 9010(d)

§ 9010. Participation by Commission in judicial proceedings

(d) *Appeal.* The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

CHAPTER 96—PRESIDENTIAL PRIMARY MATCHING PAYMENT ACCOUNT

§ 9031. Short title

This chapter may be cited as the "Presidential Primary Matching Payment Account Act."

§ 9032. Definitions

For purposes of this chapter—

(1) The term "authorized committee" means, with respect to the candidates of a political party for President and Vice President of the United States, any political committee which is authorized in writing by such candidates to incur expenses to further the election of such candidates. Such authorization shall be addressed to the chairman of such political committee, and a copy of such authorization shall be filed by such candidates with the Commission. Any withdrawal of any authorization shall also be in writing and shall be

addressed and filed in the same manner as the authorization.

(2) The term "candidate" means an individual who seeks nomination for election to be President of the United States. For purposes of this paragraph, an individual shall be considered to seek nomination for election if he—

(A) takes the action necessary under the law of a State to qualify himself for nomination for election;

(B) receives contributions or incurs qualified campaign expenses; or

(C) gives his consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

The term "candidate" shall not include any individual who is not actively conducting campaigns in more than one State in connection with seeking nomination for election to be President of the United States.

(3) The term "Commission" means the Federal Election Commission established by section 437c(a)(1) of Title 2, United States Code.

(4) Except as provided by section 9034(a), the term "contribution"—

(A) means a gift, subscription, loan, advance, or deposit of money, or anything of value, the payment of which was made on or after the beginning of the calendar year immediately preceding the calendar year of the Presidential election with respect to which such gift, subscription, loan, advance, or deposit of money, or anything of value, is made for the purpose of influencing the result of a primary election;

(B) means a contract, promise, or agreement, whether or not legally enforceable, to make a contribution for any such purpose;

(C) means funds received by a political committee which are transferred to that committee from another committee; and

(D) means the payment by any person other than a candidate, or his authorized committee, of compensation for the personal services of another person which are rendered to the candidate or committee without charge; but

(E) does not include—

(i) except as provided in subparagraph (D), the value of personal services rendered to or for the benefit of a candidate by an individual who receives no compensation for rendering such service to or for the benefit of the candidate; or

(ii) payments under section 9037.

(5) The term "matching payment account" means the Presidential Primary Matching Payment Account established under section 9037(a).

(6) The term "matching payment period" means the period beginning with the beginning of the calendar year in which a general election for the office of President of the United States will be held and ending on the date on which the national convention of the party whose nomination a candidate seeks nominates its candidate for the office of President of the United States, or, in the case of a party which does not make such nomination by national convention, ending on the earlier of—

(A) the date such party nominates its candidate for the office of President of the United States; or

(B) the last day of the last national convention held by a major party during such calendar year.

(7) The term "primary election" means an election, including a runoff election or a nominating convention or caucus held by a political party, for the selection of delegates to a national nominating convention of a political party, or for the expression of a preference for the nomination of persons for election to the office of President of the United States.

(8) The term "political committee" means any individual, committee, association, or organization (whether or not incorporated) which accepts contributions or incurs qualified campaign expenses for the purpose of influencing, or attempting to influence, the nomination of any person for election to the office of President of the United States.

(9) The term "qualified campaign expense" means a purchase, payment, distribution, loan, advance, deposit, or gift of money or of anything of value—

(A) incurred by a candidate, or by his authorized committee, in connection with his campaign for nomination for election; and

(B) neither the incurring nor payment of which constitutes a violation of any law of the United States or of the State in which the expense is incurred or paid.

For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or the committee.

(10) The term "State" means each State of the United States and the District of Columbia.

§ 9033. Eligibility for payments

(a) *Conditions.* To be eligible to receive payments under section 9037, a candidate shall, in writing—

(1) agree to obtain and furnish to the Commission any evidence it may request of qualified campaign expenses;

(2) agree to keep and furnish to the Commission any records, books, and other information it may request; and

(3) agreee to an audit and examination by the Commission under section 9038 and to pay any amounts required to be paid under such section.

(b) *Expense limitation; declaration of intent; minimum contributions.* To be eligible to receive payments under section 9037, a candidate shall certify to the Commission that—

(1) the candidate and his authorized committees will not incur qualified campaign expenses in excess of the limitations on such expenses under section 9035;

(2) the candidate is seeking nomination by a political party for election to the office of President of the United States;

(3) the candidate has received matching contributions which in the aggregate, exceed $5,000 in contributions from residents of each of at least 20 States; and

(4) the aggregate of contributions certified with respect to any person under paragraph (3) does not exceed $250.

(c) *Termination of payments.*

(1) *General rule.* Except as provided by paragraph (2), no payment shall be made to any individual under section 9037—

(A) if such individual ceases to be a candidate as a result of the operation of the last sentence of section 9032(2); or

(B) more than 30 days after the date of the second consecutive primary election in which such individual receives less than 10 percent of the number of votes cast for all candidates of the same party for the same office in such primary election, if such individual permitted or authorized the appearance of his name on the ballot, unless such individual certifies to the Commission that he will not be an active candidate in the primary involved.

(2) *Qualified campaign expenses; payments to Secretary.* Any candidate who is ineligible under paragraph (1) to receive any payments under section 9037 shall be eligible to continue to receive payments under section 9037 to defray qualified campaign expenses incurred before the date upon which such candidate becomes ineligible under paragraph (1).

(3) *Calculation of voting percentage.* For purposes of paragraph (1)(B), if the primary elections involved are held in more than one State on the same date, a candidate shall be treated as receiving that percentage of the votes on such date which he received in the primary election conducted on such date in which he received the greatest percentage vote.

(4) *Reestablishment of eligibility.*

(A) In any case in which an individual is ineligible to receive payments under section 9037 as a result of the operation of paragraph (1)(A), the Commission may subsequently determine that such individual is a candidate upon a finding that such individual is actively seeking election to the office of President of the United States in more than one State. The Commission shall make such determination without requiring such individual to reestablish his eligibility to receive payments under subsection (a).

(B) Notwithstanding the provisions of paragraph (1)(B), a candidate whose payments have been terminated under paragraph (1)(B) may again receive payments (including amounts he would have received but for paragraph (1)(B)) if he receives 20 percent or more of the total number of votes cast for candidates of the same party in a primary election held after the date on which the election was held which was the basis for terminating payments to him.

§ 9034. Entitlement of eligible candidates to payments

(a) *In general.* Every candidate who is eligible to receive payments under section 9033 is entitled to payments under section 9037 in an amount equal to the amount of each contribution received by such candidate on or after the beginning of the calendar year immediately preceding the calendar year of the Presidential election with respect to which such candidate is seeking nomination, or by his authorized

committees, disregarding any amount of contributions from any person to the extent that the total of the amounts contributed by such person on or after the beginning of such preceding calendar year exceeds $250. For purposes of this subsection and section 9033(b), the term "contribution" means a gift of money made by a written instrument which identifies the person making the contribution by full name and mailing address, but does not include a subscription, loan, advance, or deposit of money, or anything of value or anything described in subparagraph (B), (C), or (D) of section 9032(4).

(b) *Limitations.* The total amount of payments to which a candidate is entitled under subsection (a) shall not exceed 50 percent of the expenditure limitation applicable under section 441a(b)(1)(A) of Title 2, United States Code.

§ 9035. Qualified campaign expense limitations

(a) *Expenditure limitations.* No candidate shall knowingly incur qualified campaign expenses in excess of the expenditure limitation applicable under section 441a(b)(1)(A) of Title 2, United States Code and no candidate shall knowingly make expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election to the office of President in excess of, in the aggregate, $50,000.

(b) *Definition of "immediate family."* For purposes of this section, the term "immediate family" means a candidate's spouse, and any child, parent, grandparent, brother, half-brother, sister, or half-

sister of the candidate, and the spouses of such persons.

§ 9036. Certification by Commission

(a) *Initial certifications.* Not later than 10 days after a candidate establishes his eligibility under section 9033 to receive payments under section 9037, the Commission shall certify to the Secretary for payment to such candidate under section 9037 payment in full of amounts to which such candidate is entitled under section 9034. The Commission shall make such additional certifications as may be necessary to permit candidates to receive payments for contributions under section 9037.

(b) *Finality of determinations.* Initial certifications by the Commission under subsection (a), and all determinations made by it under this chapter, are final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 9038 and judicial review under section 9041.

§ 9037. Payments to eligible candidates

(a) *Establishment of account.* The Secretary shall maintain in the Presidential Election Campaign Fund establishment by section 9006(a), in addition to any account which he maintains under such section, a separate account to be known as the Presidential Primary Matching Payment Account. The Secretary shall deposit into the matching payment account, for use by the candidate of any political party who is eligible to receive payments under section 9033, the amount available after the Secretary determines that

amounts for payments under section 9006(c) and for payments under section 9008(b)(3) are available for such payments.

(b) *Payments from the matching payment account.* Upon receipt of a certification from the Commission under section 9036, but not before the beginning of the matching payment period, the Secretary or his delegate shall promptly transfer the amount certified by the Commission from the matching payment account to the candidate. In making such transfers to candidates of the same political party, the Secretary or his delegate shall seek to achieve an equitable distribution of funds available under subsection (a), and the Secretary or his delegate shall take into account, in seeking to achieve an equitable distribution, the sequence in which such certifications are received.

§ 9038. Examinations and audits; repayments

(a) *Examinations and audits.* After each matching payment period, the Commission shall conduct a thorough examination and audit of the qualified campaign expenses of every candidate and his authorized committees who received payments under section 9037.

(b) *Repayments.*

(1) If the Commission determines that any portion of the payments made to a candidate from the matching payment account was in excess of the aggregate amount of payments to which such candidate was entitled under section 9034, it shall notify the candidate, and the candidate shall pay to the Secretary or his delegate an amount equal to the amount of excess payments.

(2) If the Commission determines that any amount of any payment made to a candidate from the matching payment account was used for any purpose other than—

(A) to defray the qualified campaign expenses with respect to which such payment was made; or

(B) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses;

it shall notify such candidate of the amount so used, and the candidate shall pay to the Secretary or his delegate an amount equal to such amount.

(3) Amounts received by a candidate from the matching payment account may be retained for the liquidation of all obligations to pay qualified campaign expenses incurred for a period not exceeding 6 months after the end of the matching payment period. After all obligations have been liquidated, that portion of any unexpended balance remaining in the candidate's accounts which bears the same ratio to the total unexpended balance as the total amount received from the matching payment account bears to the total of all deposits made into the candidate's accounts shall be promptly repaid to the matching payment account.

(c) *Notification.* No notification shall be made by the Commission under subsection (b) with respect to a matching payment period more than 3 years after the end of such period.

(d) *Deposit of repayments.* All payments received by the Secretary or his delegate under subsection (b) shall be deposited by him in the matching payment account.

§ 9039. Reports to Congress; regulations

(a) *Reports.* The Commission shall, as soon as practicable after each matching payment period, submit a full report to the Senate and House of Representatives setting forth—

(1) the qualified campaign expenses (shown in such detail as the Commission determines necessary) incurred by the candidates of each political party and their authorized committees;

(2) the amounts certified by it under section 9036 for payment to each eligible candidate; and

(3) the amount of payments, if any, required from candidates under section 9038, and the reasons for each payment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

(b) *Regulations, etc.* The Commission is authorized to prescribe rules and regulations in accordance with the provisions of subsection (c), to conduct examinations and audits (in addition to the examinations and audits required by section 9038(a)), to conduct investigations, and to require the keeping and submission of any books, records, and information, which it determines to be necessary to carry out its responsibilities under this chapter.

(c) *Review of regulations.*

(1) The Commission, before prescribing any rule or regulation under subsection (b), shall

transmit a statement with respect to such rule or regulation to the Senate and to the House of Representatives, in accordance with the provisions of this subsection. Such statement shall set forth the proposed rule or regulation and shall contain a detailed explanation and justification of such rule or regulation.

(2) If either such House does not, through appropriate action, disapprove the proposed rule or regulation set forth in such statement no later than 30 legislative days after receipt of such statement, then the Commission may prescribe such rule or regulation. Whenever a committee of the House of Representatives reports any resolution relating to any such rule or regulation, it is at any time thereafter in order (even though a previous motion to the same effect has been disageed to) to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to. The Commission may not prescribe any rule or regulation which is disapproved by either such House under this paragraph.

(3) For purposes of this subsection, the term "legislative days" does not include any calendar day on which both Houses of the Congress are not in session.

(4) For purposes of this subsection, the term "rule or regulation" means a provision or series of interrelated provisions stating a single separable rule of law.

§ 9040. Participation by Commission in judicial proceedings

(a) *Appearance by counsel.* The Commission is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of Title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

(b) *Recovery of certain payments.* The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made pursuant to section 9038.

(c) *Injunctive relief.* The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate to implement any provision of this chapter.

(d) *Appeal.* The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

§ 9041. Judicial review

(a) *Review of agency action by the Commisison.* Any agency action by the Commission made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought.

(b) *Review procedures.* The provisions of chapter 7 of Title 5, United States Code, apply to judicial review of any agency action, as defined in section 551 (13) of Title 5, United States Codes, by the Commission.

§ 9042. Criminal penalties

(a) *Excess campaign expenses.* Any person who violates the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of section 9035 shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

(b) *Unlawful use of payments.*

(1) It is unlawful for any person who receives any payment under section 9037, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

(A) to defray qualified campaign expenses; or

(B) to repay loans the proceeds of which were used, or otherwise to restore funds

(other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray qualified campaign expenses.

(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

(c) *False statements, etc.*

(1) It is unlawful for any person knowingly and willfully—

(A) to furnish any false, fictitious, or fraudulent evidence, books, or information to the Commission under this chapter, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this chapter; or

(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this chapter.

(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

(d) *Kickbacks and illegal payments.*

(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any qualified campaign expense of a candidate, or his authorized committees, who receives payments under section 9037.

(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any qualified campaign expense of a candidate or his authorized committees shall pay to the Secretary, for deposit in the matching payment account, an amount equal to 125 percent of the kickback or payment received.

LIOTTA, MASTER & BUFFONE
Washington, D.C.
January 26, 1977

Charles Steele, Esq.,
Federal Elections Commission,
1325 K Street, NW.,
Washington, D.C.

Re: Committee To Elect LaRouche.

DEAR MR. STEELE:

As I explained on the telephone on January 25, 1977, my client is quite distressed by your January 21, 1977 letter stating that the Federal Elections Commission (FEC) now wished to individually and personally verify contributions and to audit the books and records of what you term "organizations related to CTEL."

After discussing the matter with Ms. Pepper of CTEL and their staff attorney, David Heller, we reluctantly concluded that we would not oppose the individual verifications of contributions, although we feel that the contributors should have first been notified by letter that they were to be interviewed.

Regarding the expanded audit, however, we are unable to take any action. It is our position that such an expanded audit of allegedly "related" organizations is not sanctioned by the legislation, but even if you were entitled to such an expanded audit, we cannot provide the materials. The allegedly related organizations are

separate corporations and permission to audit them must voluntarily come from them. It is unlikely, however, that they will consent as we have already discussed the possibility with their offices.

I hope this is a sufficient response to your request and that processing of our application can now proceed.

Sincerely,
/S/_____
ROBERT CASE LIOTTA.

LIOTTA, MASTER & BUFFONE
Washington, D.C.
February 8, 1977

Charles Steele, Esq.,
Federal Elections Commission,
1325 K Street NW.,
Washington, D.C.

Re: Committee To Elect LaRouche.

DEAR MR. STEELE:

I would like to confirm two items that I believe we agreed upon earlier.

On February 2, 1977, the Commission received the written statement of Mr. McDonough verifying his contributions to the Committee to Elect LaRouche (CTEL). In our conversations on that date you stated that you believed this action would satisfy the Commission's request for written verifications in lieu of checks or money orders, of contributions for the state of Connecticut. Connecticut was the one state of the twenty submitted where the $5,000 contribution had not been verified as requested.

I understand of course that the Commission has requested and is requesting further verification of these same contributions by way of personal interviews with contributors. As you know, it is our position that Section 9033 does not require these extreme measures, but we will not oppose it if it is carried out without intimidation and with advance notice to potential interviewees. I have instructed my client to notify any contributors who call the New York office of the United States Labor Party that they should speak with the Federal Elections Commission (FEC) investigators if they want to.

Finally, I just want to make clear what I told you on February 2, and 7, 1977 regarding our intention to file suit pursuant to Section 9041. It is our position that on February 2, 1977 we established our eligibility under Section 9033 in accordance with FEC "policy" and that pursuant to Section 9036 the Commission is obligated to certify our eligibility for payment to the Secretary of the Treasury within ten (10) days. Therefore, if our application is not acted upon by February 14, 1977, we will file our petition for review.

It is our position that Section 9033 does not specify in what manner a candidate must demonstrate his eligibility—it merely states that "a candidate shall certify to the Commission that, (3) the candidate has received matching contributions which in aggregate exceed $5,000 in contributions from residents of each of at least 20 states . . ." Many months ago, my client "certified" that he had met this condition and then voluntarily complied with the Commission's "policy"

that the contributions had to be verifiable by checks, money orders or written statements of contributors. Our agreement to provide these documents led to months of delay in processing our application. We have now complied with that policy and are requesting action pursuant to Section 9036.

Sincerely,

/S/_____

ROBERT CASE LIOTTA.

cc: Ms. Marcia Pepper
Joel Joseph, Esquire

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